

Republic of the Philippines
ENERGY REGULATORY COMMISSION
San Miguel Avenue, Pasig City



**IN THE MATTER OF THE
APPLICATION FOR
APPROVAL OF THE LETTERS
OF AGREEMENT (LOAs),
FOR SUPPLY OF ELECTRIC
ENERGY WITH THE
DISTRIBUTION UTILITIES
(DUs) IN THE VISAYAS
GRID, WITH PRAYER FOR
ISSUANCE OF PROVISIONAL
AUTHORITY (PA)**

ERC CASE NO. 2020-030 RC

**POWER SECTOR ASSETS
AND LIABILITIES
MANAGEMENT
CORPORATION (PSALM),
Applicant.**

Promulgated:
January 18, 2021

X-----X

ORDER

On 04 September 2020, Power Sector Assets and Liabilities Management Corporation (PSALM) filed an *Application* dated 18 June 2020, seeking the Commission's approval of its Letters of Agreement (LOAs) with the Distribution Utilities in the Visayas Grid, with prayer for issuance of provisional authority.

Subsequently, the Commission, in its *Order* and *Notice of Virtual Hearing*, both dated 28 October 2020, set the instant *Application* for the jurisdictional requirements, expository presentation, Pre-trial Conference, and presentation of evidence through a virtual hearing on 14 January 2021.

However, on 18 December 2020, PSALM filed a *Manifestation with Motion to Re-Schedule the Hearing* (Motion), alleging its inability to comply with the requirements in the Commission's *Order* dated 28 October 2020.

Finding the *Motion* in order, the Commission hereby grants the same. In view thereof, the hearing set on 14 January 2021 is hereby cancelled.

ACCORDINGLY, the Commission hereby sets anew the instant *Application* for determination of compliance with the jurisdictional requirements, expository presentation, Pre-trial Conference, and presentation of evidence on the following dates and online platforms for the conduct thereof, pursuant to Resolution No. 09, Series of 2020¹ dated 24 September 2020:

Date	Platform	Activity
05 March 2021 (Friday) at two o'clock in the afternoon (2:00 P.M.)	Microsoft Teams	Determination of Jurisdictional Compliance and Expository Presentation
12 March 2021 (Friday) at two o'clock in the afternoon (2:00 P.M.)	Microsoft Teams	Pre-trial Conference and Presentation of Evidence
19 March 2021 (Friday) at two o'clock in the afternoon (2:00 P.M.)	Microsoft Teams	Presentation of Evidence

RELATIVE THERETO, PSALM is hereby directed to:

- 1) Cause the publication of the attached *Notice of Virtual Hearing* in two (2) newspapers of nationwide circulation in the Philippines at its own expense, twice (2x) within two (2) successive weeks, the dates of publication not being less than seven (7) days apart and the date of the last publication to be made not later than ten (10) days before the date of the scheduled initial virtual hearing;
- 2) Furnish with copies of this *Order* and the attached *Notice of Public Hearing* the Offices of the Governors of the Provinces of Bohol, Leyte, Southern Leyte, Biliran, Samar, Eastern Samar, and Northern Samar; and the Offices of the Mayors of the Municipalities/Cities of Tubigon and Jagna, all in the Province of Bohol; Tunga, Hilongos, Tolosa, and Tacloban City, all in the Province of Leyte; Maasin City in the Province of Southern Leyte; Naval in the Province of Biliran; Bobon in the Province of Northern Samar; Paranas and Calbayog City, all in the Province of Samar; Borongan

¹ Entitled: A Resolution Adopting the Guidelines Governing Electronic Applications, Filings and Virtual Hearings Before the Energy Regulatory Commission.

City in the Province of Eastern Samar; and Quezon City in Metro Manila; and the Local Government Unit (LGU) legislative bodies of the aforesaid affected areas for the appropriate posting thereof on their respective bulletin boards;

- 3) Inform the consumers within the affected area of the filing of the *Application*, its reasons therefor, and of the scheduled hearings thereon, by any other means available and appropriate;
- 4) Furnish with copies of this *Order* and the attached *Notice of Virtual Hearing*, the Office of the Solicitor General (OSG), the Commission on Audit (COA), and the Committees on Energy of both Houses of Congress. They are hereby requested, if they so desire to send their duly authorized representatives at the scheduled hearings; and
- 5) Furnish with copies of the *Application* and its attachments all those making requests therefor, subject to reimbursement of reasonable photocopying costs.

Within five (5) calendar days prior to the date of the virtual hearing, PSALM must submit to the Commission via electronic mail (e-mail) at docket@erc.ph and records@erc.gov.ph, copy furnish the Legal Service through legal@erc.ph, the scanned copies of its written compliance with the aforementioned jurisdictional requirements attaching therewith, methodically arranged and duly marked the following:

- 1) The evidence of publication of the attached *Notice of Virtual Hearing* consisting of affidavits of the Editor or Business Manager of the newspapers where the said *Notice of Virtual Hearing* was published, and the complete issues of the said newspaper;
- 2) The evidence of actual posting of this *Order* and the attached *Notice of Virtual Hearing* consisting of certifications issued to that effect, signed by the aforementioned Governors, Mayors and LGU legislative bodies or their duly authorized representatives, bearing the seals of their offices;

- 3) The evidence of other means employed by PSALM to inform the consumers affected of the filing of the *Application*, its reasons therefor, and of the scheduled hearings thereon;
- 4) The evidence of receipt of copies of this *Order* and the attached *Notice of Virtual Hearing* by the OSG, COA, and the Committees on Energy of both Houses of Congress;
- 5) The evidence of receipt of copies of the *Application* and its attachments by all those making requests therefor, if any; and
- 6) Such other proofs of compliance with the requirements of the Commission.

Moreover, PSALM is hereby required to post on its bulletin boards, the scanned copies of the foregoing jurisdictional requirements, together with the newspaper publications and certifications issued by the concerned Office of the Governors, Mayors and Local Legislative Bodies, and to submit proof of its posting thereof.

PSALM and all interested parties are also required to submit via e-mail at docket@erc.ph and records@erc.gov.ph, copy furnish the Legal Service through legal@erc.ph, at least five (5) calendar days before the date of the scheduled virtual hearing and Pre-trial Conference, their respective Pre-Trial Briefs containing, among others:

- 1) A summary of admitted facts and proposed stipulation of facts;
- 2) The issues to be tried or resolved;
- 3) The documents or exhibits to be presented, stating the purposes and proposed markings therefor, which should also be attached to the Pre-trial Brief; and
- 4) The number and names of the witnesses, with their written testimonies in a Judicial Affidavit form attached to the Pre-trial Brief.

PSALM must ensure that all the documents or exhibits proposed to be presented have already been duly submitted to the Commission

at least five (5) calendar days before the date of the scheduled initial virtual hearing and Pre-trial Conference pursuant to the preceding paragraph.

Failure of PSALM to comply with the above requirements within the prescribed period shall be a ground for cancellation of the scheduled hearing, and the resetting of which shall be six (6) months from the said date of cancellation.

PSALM must also be prepared to make an expository presentation of the instant *Application*, aided by whatever communication medium that it may deem appropriate for the purpose, in order to put in plain words and explain, for the benefit of the consumers and other concerned parties, the nature of the *Application* with relevant information and pertinent details substantiating the reasons and justifications being cited in support thereof.

PSALM is hereby directed to file a copy of its Expository Presentation via e-mail at docket@erc.ph, and records@erc.gov.ph, copy furnish the Legal Service through legal@erc.ph, at least five (5) calendar days prior to the scheduled virtual hearing. PSALM shall also be required, upon the request of any stakeholder, to provide an advance copy of its expository presentation, at least five (5) calendar days prior to the scheduled virtual hearing.

Any interested stakeholder may submit its comments and/or clarifications at least one (1) calendar day prior to the scheduled virtual hearing, via e-mail at docket@erc.ph, and records@erc.gov.ph, copy furnish the Legal Service through legal@erc.ph. The Commission shall give priority to the stakeholders who have duly submitted their respective comments and/or clarifications, to discuss the same and propound questions during the course of the expository presentation.

PSALM is hereby directed to submit, either through personal service, registered or ordinary mail/private courier, one (1) set of the original or certified true hard/printed copy/ies of its Jurisdictional Compliance, Expository Presentation, Pre-trial Brief, and Judicial Affidavit/s of witness/es, within five (5) working days from the date that the same were electronically submitted, as reflected in the acknowledgment receipt e-mail sent by the Commission. Similarly, all interested parties who filed their Petition for Intervention or Opposition are required to submit the hard/printed copy thereof within the same period through any of the available modes of service.

Finally, PSALM , including their authorized representative/s and witness/es, are hereby directed to provide the Commission, thru legal.virtualhearings@erc.ph, with their respective e-mail addresses upon receipt of this *Order*. The Commission will send the access link/s to the aforementioned hearing platform within five (5) working days prior to the scheduled hearing.

SO ORDERED.

Pasig City, 08 January 2021.

FOR AND BY AUTHORITY
OF THE COMMISSION:


AGNES VST DEVANADERA
Chairperson and CEO


LS: MVM/LSP/MCCG

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Copy Furnished:

1. Attys. Julius M. Lotilla, Geoffrey DL. Masancay, Maria Ilyn C. Geronimo-Albito and Lalaine Mae C. Parlade
Counsel for Applicant PSALM
24th Floor, Vertis North Corporate Center 1
Astra corner Lux Drives, North Avenue, Quezon City
mardelacruz@psalm.gov.ph
2. Office of the Solicitor General (OSG)
134 Amorsolo Street, Legaspi Village, Makati City
3. Commission on Audit (COA)
Commonwealth Avenue, Quezon City 1121
4. Senate Committee on Energy
GSIS Building, Roxas Boulevard, Pasay City 1307
5. House of Representatives Committee on Energy
Batasan Hills, Quezon City 1126
6. Office of the President
Philippine Chamber of Commerce and Industry (PCCI)
3rd Floor, Chamber and Industry Plaza (CIP) 1030
Campus Avenue corner Park Avenue McKinley Town Center,
Fort Bonifacio, Taguig City
7. Bohol I Electric Cooperative, Inc. (BOHECO I)
Tubigon, Bohol
8. Bohol II Electric Cooperative, Inc. (BOHECO II)
Jagna, Bohol
9. Don Orestes Romualdez Electric Cooperative, Inc. (DORELCO)
San Roque, Tolosa, Leyte
10. Leyte II Electric Cooperative, Inc. (LEYECO II)
Sagkahan, Tacloban City
11. Leyte III Electric Cooperative, Inc. (LEYECO III)
Tunga, Leyte
12. Leyte IV Electric Cooperative, Inc. (LEYECO IV)
Hilongos, Leyte
13. Southern Leyte Electric Cooperative, Inc. (SOLECO)
Maasin, Southern Leyte
14. Biliran Electric Cooperative, Inc. (BILECO)
Caray-caray, Naval, Biliran
15. Northern Samar Electric Cooperative, Inc. (NORSAMELCO)
Brgy. Magsaysay, Bobon, Northern Samar
16. Samar I Electric Cooperative, Inc. (SAMELCO I)
Brgy. Carayman, Calbayog City
17. Samar II Electric Cooperative, Inc. (SAMELCO II)
Paranas, Samar
18. Eastern Samar Electric Cooperative, Inc. (ESAMELCO)
Cobong, Borongan, Eastern Samar
19. Office of the Provincial Governor
Province of Bohol

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20. Office of the LGU legislative body
Province of Bohol
21. Office of the Provincial Governor
Province of Leyte
22. Office of the LGU legislative body
Province of Leyte
23. Office of the Provincial Governor
Province of Southern Leyte
24. Office of the LGU legislative body
Province of Southern Leyte
25. Office of the Provincial Governor
Province of Biliran
26. Office of the LGU legislative body
Province of Biliran
27. Office of the Provincial Governor
Province of Samar
28. Office of the LGU legislative body
Province of Samar
29. Office of the Provincial Governor
Province of Eastern Samar
30. Office of the LGU legislative body
Province of Eastern Samar
31. Office of the Provincial Governor
Province of Northern Samar
32. Office of the LGU legislative body
Province of Northern Samar
33. Office of the City Mayor
Quezon City
34. Office of the LGU legislative body
Quezon City
35. Office of the Municipal Mayor
Tubigon, Bohol
36. Office of the LGU legislative body
Tubigon, Bohol
37. Office of the Municipal Mayor
Jagna, Bohol
38. Office of the LGU legislative body
Jagna, Bohol
39. Office of the Municipal Mayor
Tolosa, Leyte
40. Office of the LGU legislative body
Tolosa, Leyte
41. Office of the City Mayor
Tacloban City, Leyte

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42. Office of the LGU legislative body
Tacloban City, Leyte
43. Office of the Municipal Mayor
Tunga, Leyte
44. Office of the LGU legislative body
Tunga, Leyte
45. Office of the Municipal Mayor
Hilongos, Leyte
46. Office of the LGU legislative body
Hilongos, Leyte
47. Office of the City Mayor
Maasin City, Southern Leyte
48. Office of the LGU legislative body
Maasin City, Leyte
49. Office of the Municipal Mayor
Naval, Biliran
50. Office of the LGU legislative body
Naval, Biliran
51. Office of the Municipal Mayor
Bobon, Northern Samar
52. Office of the LGU legislative body
Bobon, Northern Samar
53. Office of the City Mayor
Calbayog City, Samar
54. Office of the LGU legislative body
Calbayog City, Samar
55. Office of the Municipal Mayor
Paranas, Samar
56. Office of the LGU legislative body
Paranas, Samar
57. Office of the City Mayor
Borongan City, Eastern Samar
58. Office of the LGU legislative body
Borongan City, Eastern Samar
59. Market Operations Service (MOS)
Energy Regulatory Commission
12th Floor, Pacific Center Bldg., San Miguel Ave., Pasig City